

## Message Text

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PAGE 01 TEHRAN 06790 010445Z  
ACTION NEA-10

INFO OCT-01 ISO-00 PM-05 NSC-05 SP-02 SS-15 CIAE-00  
INR-07 NSAE-00 DODE-00 AID-05 EB-08 COME-00  
TRSE-00 OMB-01 /059 W  
-----025312 010447Z /21  
R 010423Z AUG 77  
FM AMEMBASSY TEHRAN  
TO SECSTATE WASHDC 3816  
INFO AMEMBASSY CAIRO

LIMITED OFFICIAL USE TEHRAN 6790

E.O.11652: N/A  
TAGS: EFIN, EG, IR  
SUBJ: IRAN AGAIN DEFERS LOAN REPAYMENT BY EGYPT

REF: (A) CAIRO 12687, (B) TEHRAN 2798

1. GOI'S DIRECTOR GENERAL FOR FOREIGN ASSISTANCE  
(KHALEGHI-ROD) ESSENTIALLY CONFIRMED SUBSTANCE OF CAIRO  
PRESS ITEM REPORTED REFTEL A. BRIEF MENTION OF IRAN'S  
AGREEMENT TO POSTPONE REPAYMENT BY EGYPT ON LOAN WAS  
CARRIED IN FRENCH LANGUAGE JOURNAL DE TEHRAN ON JULY 28.

2. GOI OFFICIAL SAID THAT EGYPT'S DELINQUENCY IN 1976  
HAS OCCURRED AGAIN IN 1977 AND GOI FELT IT HAD NO  
ALTERNATIVE BUT TO ONCE AGAIN POSTPONE EGYPT'S PAYMENTS  
GIVEN EGYPT'S STRAITENED FINANCIAL CIRCUMSTANCES. LOAN  
IN QUESTION IS 120 MILLION DOLLAR LOAN SIGNED APRIL 1975,  
AT FOUR PERCENT INTEREST, WITH FIRST REPAYMENT DUE 1976.  
LOAN AGREEMENT CALLS FOR 30 MILLION DOLLAR ANNUAL  
REPAYMENTS WHICH NOW MAKE EGYPT 60 MILLION DOLLARS IN  
ARREARS. RESCHEDULING AGREEMENT REPORTED PARA 3  
REF B EVIDENTLY ABORTED. GOI AGREEMENT AGAIN TO  
POSTPONE REPAYMENT AMOUNTS TO GRANTING TO EGYPT AN  
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ADDITIONAL TWO YEARS GRACE PERIOD WITH FIRST  
REPAYMENT NOW DUE 1979. GOI OFFICIAL KHALEGHI-ROD  
WAS VERY PESSIMISTIC ABOUT EGYPT'S FINANCIAL POSITION  
AND PRIVATELY DOUBTED THAT ARREARS WOULD BE FULLY  
PAID UP IN 1979.

3. GOI OFFICIAL SAID IT WAS HIS UNDERSTANDING THAT

EGYPT WAS CURRENT ON INTEREST PAYMENTS ON THE 120  
MILLION DOLLAR LOAN.

4. AS REPORTED REFTEL B, REPAYMENT ON IRAN'S OTHER  
MAJOR LOAN TO EGYPT, I.E., 200 MILLION DOLLARS, ALL OF  
WHICH HAS ALSO BEEN DISBURSED, IS NOT DUE UNTIL  
JANUARY 1981. WE HAVE NO INFORMATION AS YET ON REPORTED  
EGYPTIAN ARREARAGES ON SUPPLIER CREDITS BUT WILL  
TRANSMIT ANY SUCH DATA WHEN RECEIVED.  
SULLIVAN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEBTS, DEFERRED PAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 01-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977TEHRAN06790  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770274-0567  
**Format:** TEL  
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**Handling Restrictions:** n/a  
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**Line Count:** 72  
**Litigation Code IDs:**  
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**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 1cf92150-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 CAIRO 12687, 77 TEHRAN 2798  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 08-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1427218  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IRAN AGAIN DEFERS LOAN REPAYMENT BY EGYPT  
**TAGS:** EFIN, EG, IR  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/1cf92150-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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